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What is the AMERICAN WAY?

By HARBY L. HOPKINS Administrator works progress administration



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BUSINESS: "There is no conflict between business and government because there can be none. The conflict is between interpretations of their relationships to each other. Government, by consent of the governed, must be concerned primarily with the welfare of the Nation and all of its people. It has no choice. Our system is so designed that if public officials do not show this concern, they will be replaced by officials who do. Concern for the national welfare means concern for the practical success of all parts of it."

LABOR: "When unions and their objectives become more universally accepted into the scheme of things, when the leaders on both sides learn to trust each other and become more experienced in their tasks, I feel sure that labor difficulties will be minimized. I feel certain that in the future, when we look back at 1936 and 1937, we shall all recognize that what some took to be a great revolutionary disturbance was simply the growing pains of a truly American institution."

SPENDING: "Pump-priming has been carried on from the very beginning of our national existence. It took the form of giving away the national domain in free land . . . of giving vast areas to railroad companies . . . of building roads, subsidizing canals, dredging waterways, and building harbors, all with Government funds . . . of a protective tariff to subsidize infant industries . . . of giving away certain sovereign powers of the people, such as franchises to public utilities. the power to issue currency and create credit to banks, and exclusive patent rights for inventions. These are a few examples of the pump-priming which our American Government has engaged in for 150 years. Pump-priming is as American as corn on the cob."



What is the AMERICAN WAY?

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WORKS PROGRESS ADMINISTRATION WASHINGTON, D. C.



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SHOULD like to discuss three or four of the principal subjects on which some people have been most critical of the Government. I am going to talk about these controversial policies on the basis of whether they square with American traditions—whether they are in line with the much-discussed and often ill-defined "American Way."

What are the Federal policies of great importance upon which people disagree most frequently today? First, the relationship of Government to business. Second, the Government's policy toward labor and collective bargaining. Third, the relief policy.

I welcome the opportunity to express my point of view upon these national problems. It is a personal point of view, but one which from the beginning has been closely identified with that of the Administration.

"The American Way" is not just a rhetorical phrase. It has deep and significant implications. America was the new land of opportunity to which men came from a tired Old World . . . an Old World of little land and feudal overlordship and labor surpluses, an Old World of poverty and human resignation.

Ours was the new land of freedom, of open frontiers, of work for all. Here were religious liberty, freedom of thought, and economic opportunity. Above all, here was respect for the dignity of the individual. Here the rights a man might enjoy, the heights he might scale, were not limited by his family tree but rather by his own individual ability.

The American way is more than a set of constitutional enactments for judicial interpretation. It is the indwelling spirit of our economic and social order. Like all great things, it may be summed up in a few guiding principles. These are: First,



Intervention Is Not New

Fifty years ago, for example, Government was regulating interstate commerce and legislating against trusts, while twenty years ago it was literally running the railroads and plunging directly into many business sectors on an emergency basis. So you see these sorties of Government across the mythical barrier which separated it from business were definite and frequent long before the present Federal Administration was even dreamed of. History records, also, that each of them was accompanied by the same cries of "foul" which we are hearing today concerning attempts to regulate security-selling, utilities, holding companies, and the wages and hours of labor.

I would be the last to deny that the present Federal Administration has crossed this imaginary barrier, which is supposed to separate Government from business, at more points, and in less time, than any of its predecessors; but in return I would expect you to grant that never before has the traditional division of functions failed so completely.

To be blunt, predatory business refused to take the responsibility along with the privileges. It did not see that the sovereign people, who gave it so much freedom, were entitled, in return, to a workable economic system—to jobs, continued opportunities, and security. Business, willing to attend to the earning of money and the investing of profits, had little interest in the democratic distribution of income.

Action by the People

Big business grew steadily richer and more acquisitive. Surely I don't need to repeat the tragic story of the little merchants who lost their stores and stayed on as managers or clerks, of the farm owners who became tenants, of the army of trust-



ful workers who lost their savings in bad securities or bad banks, of the holding companies which milked the operating companies and kept up utility rates, of the margin buyers and the sucker lists. Even in times of panic, monopolies held up prices and cut production, creating mass unemployment.

The American people believe that one of liberty's basic attributes is the chance to work for a living and, through work, to attain a certain minimum of security. They want to be independent—want free markets and real competition. They saw these things slipping away, and they turned for protection to the only agency to which a democratic people would turn—to their Government. That is why we have the present Administration in Washington.

The policy of the Federal Government with respect to business today is not dominated by the whim of an individual, but it has been dictated by and with the overwhelming approval of the people.

Whole System in Danger

In early 1933 the country was on the brink of calamity. Millions of farmers and home owners were about to lose their land, their homes, and their savings. Business, large and small, the savings of millions, would have been wiped out if the impending bankruptcy of our insurance companies and banking system had not been prevented.

Fifteen million breadwinners were without the opportunity to earn their bread, and probably another fifteen million were working only part time and not earning much bread.

To have let things take their course—in accordance with precedent—would have meant taking a major step toward the destruction of the American system. It would have meant such a redivision of ownership, such a concentration of feudal overlordship at the top and economic serfdom at the bottom that the



American way would have become a mere memory.

We could have lost, at one stroke, the whole American system of free enterprise, and we could have lost it with all the paraphernalia of due process of law which was designed precisely to safeguard it. One must not forget that dictators have come into power without violating the legal forms, and that but a few weeks ago a once-proud people committed suicide as a nation in the proper constitutional manner.

Yet even in this situation the faith of the people in the American way of doing things did not falter. There was no serious talk of hunting a new set of ideals and a new way of life, but only of adapting the old machinery, and implementing it, to make democracy work.

A Business Editorial

Lincoln spoke of "patient confidence in the ultimate justice of the people." Whatever controls the people now want government to exercise with relation to industry in behalf of a better and squarer deal for everyone, the people can take away at any time they feel industry does not need such controls.

I would like to read you a remarkable passage from an editorial in a magazine: "If the principles of democracy and of private enterprise are to be preserved, it is evident that private enterprise must admit into its affairs a Government profoundly concerned with the successful operation of the economic system. It should in the future be the object of Business, not to obstruct Government intervention at any cost, but to see to it that the intervening Government is enlightened in economic matters."

This did not appear in an obscure radical pamphlet, but in one of the most luxurious of business publications—Fortune magazine.

I can say from personal knowledge that the Government is not, and never has been, opposed to



business. It has no desire whatever to harass or punish business. It fully realizes that business must succeed, and must be able to work with government if our economic system is to be preserved. It seeks an understanding and a meeting of minds, not only as to present points of conflict but as to methods which will assure for the future, on the one hand, justice and fair dealing to all the people, and on the other, the confidence, success, and legitimate profits of legitimate business enterprise. It has no quarrel with business merely because it is big; but big or little, it—the Government—intends to prevent practices which do violence to the effective working of our economic system.

Both Must Prosper

There is no conflict between business and Government, because there can be none. The conflict is between interpretations of their relationships to each other. Government, by consent of the governed, must be concerned primarily with the welfare of the Nation and all of its people. It has no choice. Our system is so designed that if public officials do not show this concern, they will be replaced by officials who do. Concern for the national welfare means concern for the practical success of all parts of it.

There will be honest differences as to the extent to which Government feels it must be admitted to economic affairs in behalf of the general welfare. It is conceivable that these differences will be present, in greater or less degree, for years to come. But they should not be clouded with charges that the Government is willfully handicapping an institution which it well knows must prosper if either business or Government is to succeed.

Now let us consider the attitude of the present Administration toward labor, particularly its part in the enactment and enforcement of the Wagner Act,



which guarantees the workers' rights to self-organization and to collective bargaining by representatives of their own choosing.

You people here, right next to the steel and automobile districts, probably heard the preposterous stories that the labor difficulties of last year were deliberately planned by the Administration to encourage labor to overthrow the American system of private property. But I think we have to take the labor difficulties and the Wagner Act in their proper rational and historical perspective.

Unions Aid Balance

Now let me say that the Administration's attitude toward labor unions has been that of the reasonable, progressive American, who has the interests of the common man at heart. Unions are designed to protect and improve the conditions of labor—the interest of the common man, which bulks very large in the general welfare.

Unions counterbalance the growth of corporations and the concentration of economic power. In these days no individual worker, unprotected by labor unions, can hope to bargain on equal terms with aggregations of great wealth and economic power. From a social point of view, moreover, unions are the only answer to the great technological revolution which has transformed a laborer's status from that of an independent worker owning his own tools to that of a human cog in a vast machine owned and controlled by the employer.

Visualize in your own mind a worker in the long assembly line of a modern industrial plant. What does he possess except his precarious place in the assembly line? Can you blame him for wanting to cling to this place, and by organization with his fellows to attempt to humanize his status by getting some sort of tenure, vacations, good working



conditions? He would be less than human in his responsibilities to himself and to his family if he did not seek to stabilize his position through collective organization and collective bargaining.

The Wagner Act

Since unions are necessary to protect the worker in his human rights and aspirations, it is necessary to protect the right of the worker to join unions and to select representatives of his own choosing. Experience has shown that selfish and short-sighted employers will use their economic power to prevent workers from joining unions or to kill unions after they have been formed.

The much-discussed Wagner Act simply creates a mechanism designed to accomplish two broad social purposes in connection with unions. On the one hand the mechanism protects the right of labor to organize. It protects that right against the unscrupulous employer or combination of employers, who use all the vicious techniques described by the La Follette Civil Liberties Committee to prevent industrial workers from organizing and acting together in their own interests. On the other hand, it is designed to iron out disputes as to who should represent the workers in any industry or in any plant in negotiations with their employers.

In both of these phases the Wagner Act makes for industrial peace, and not for industrial war. What looked like industrial disturbance following the validation of the Wagner Act by the Supreme Court was the bustle and tussle of organizational activity which had been too long delayed in the past by unfair employer practices.

I deplore as much as anybody else the racketeering that sometimes takes place in labor unions, just as I deplore the racketeering of monopolistic employers. The Wagner Act is not an endorsement of



either. At the same time, loose and unproved charges of racketeering should not be used to discredit the great labor movement or the Wagner Act, both of which are wedded to highly legitimate purposes.

Labor's Growing Pains

To my mind, the reason for the labor difficulties of last year was not any revolutionary desire on the part of the workers to overturn the American system. The fact is that the two groups were functioning in unfamiliar territory. The suspicions that had developed from earlier tensions had the effect of engendering misinterpretations of trivial actions, so that these actions took on the appearance of deeplaid plots for the destruction of the other side. If a foreman gave a worker a black look, it was immediately interpreted as being an indication that the employer was about to engage in an attempt to break the union. The employees would not trust their grievances to arbitration because they knew from past experience that arbitration machinery could be used to cheat them out of their just dues.

It is significant that in those industries, such as the railroads, where unions were old and wellestablished, or even in those businesses where experienced leaders on both sides were able to take command (as in those steel companies where agreements were readily negotiated without the necessity of strikes)—there we found no insurmountable labor difficulties. Witness, for example, the statement of Myron Taylor, former chairman of the board of U. S. Steel Corporation, in his farewell address to the corporation. "The union," he said, "has scrupulously followed the terms of its agreement and insofar as I know, has made no unfair effort to bring other employees into its ranks, while the corporation's subsidiaries, during a very difficult period, have been entirely free of labor disturbances of any kind."



When unions and their objectives become more universally accepted into the scheme of things, when the leaders on both sides learn to trust each other and become more experienced in their tasks, I feel sure that labor difficulties will be minimized. I feel certain that in the future, when we look back at 1936 and 1937, we shall all recognize that what some took to be a great revolutionary disturbance was simply the growing pains of a truly American institution.

Work or Dole?

Turning to the question of relief and spending, I should say that the critics of the Administration's program have taken a very simple position. They are for relief, and against spending. They are for relief but in a penny-wise and pound-foolish way they are opposed to the present comprehensive Federal program of providing jobs at useful work instead of a pittance dole to the needy unemployed.

Social Security provisions to cooperate with the States in helping the aged, the blind, and the dependent children are in another field—as is also direct relief by the States to those who are unfit, for various reasons, to work. On the other hand, the unemployed to whom the Federal program applies are those who are able-bodied but who can not find private jobs and are dependent on a public helping hand because of the failure of the economic system. Millions of them have been given security jobs on the WPA or other agencies of the Federal Works Program. Jobs are all the WPA gives. It gives no direct relief, all of which is handled by the States and localities. Every WPA check is in return for work done.

The critics who want relief but no spending will tell you that a work program costs two or three times as much as a direct relief program. Even if the argument were true, it would be irrelevant, because the American people, with an amazing



unanimity, have declared themselves in favor of a work program and will not go back to the socially unproductive and individually demoralizing principle of the dole. But it happens that the argument about comparative costs is false. It has been calculated that a shift to a direct relief program, providing payments of equal adequacy to the families of the unemployed, would save only 30 percent in gross costs. If the indirect employment provided by the purchase of materials, the rental of equipment, etc., is taken into account, the net saving in a shift to a direct relief program would be so small as to be negligible.

Examining the Assets

And of course we have left out of account the vast social assets created by a work program—the thousands of public buildings—the roads and streets and bridges, the swimming pools, the parks and the playgrounds, the works of art, and the cultural services with which the labors of the unemployed have endowed the Nation. Also we have left out the conservation of human resources, of morale and skill, that are involved in the mere opportunity to work.

Aside from the persistent but unfounded complaint of high cost, we hear such complaints as that the system of work relief destroys individual initiative, that its recipients impose on public generosity by leaning on their shovels, that it is "made work" of doubtful value, that it permits political coercion, that it competes with private enterprise, and that its benefits are not evenly distributed geographically.

I think we can dispose of the question of individual initiative merely by citing the findings of surveys which show that half of those who have worked for the WPA have been absorbed by private industry. This is surely adequate proof that the WPA has preserved their skills, and that they want to work.



The only way to find out about the value and efficiency of the work is to check it. Recently we asked 10 national organizations interested in civic planning—organizations such as the American Engineering Council, the American Municipal Association, and the Society of Planning Officials—to make such a Nation-wide check. They gathered reports from 8,000 communities in all sections of the country. The evidence was beyond question that the workers generally give an honest day's labor, that the workmanship is good and frequently equal to private work, that the improvements are in the great majority of cases badly needed by the communities and yet beyond local resources without the Federal pay checks to the workers.

Work Planned Locally

We know that the improvements are what the communities need because the program is highly decentralized, and the initiation of projects proceeds from the bottom up and not from the top down. Aside from a few Federal projects which involve perhaps 2 percent of the program, every improvement or public service must be originated, planned and requested by a local agency of government. Moreover, in order both to insure that most of the Federal money goes into wages and to prove earnestness, the local government must put in an average of nearly one-fourth of the cost in local funds. It is difficult to imagine any desire or ability on the part of local officials to put over useless public works on their own communities under these circumstances.

Allegations of political coercion of the workers are making headlines these days. To weigh such charges, one must define coercion. How can it be accomplished? Either you must pad the pay rolls with your friends, or you must discharge or threaten to discharge those who differ with you politically, or



you must force campaign contributions in some way.

In each locality, the eligibility of needy workers for our program is determined, not by the WPA, but by the constituted local welfare authorities. If there is political discrimination at that point, it is a matter for the local citizenry to handle. On the other points I do not believe the WPA is perfect, any more than democracy is perfect; but I believe it is remarkably clean, for an organization of its size. I believe it is freer from these pressures than most large private enterprises.

Whom Would They Favor?

I believe the American people are very jealous of these funds for relief, and deeply resent any political misuse of them. For 5 years I have worked on that basis. Anybody in America has the right to vote as he pleases, and to keep his view secret or express himself freely on it. Men in large jobs and small jobs, in private life and public life, do it every year. And other men are just as free to disagree. That is the American way. Traditionally, American workers have rebelled against pay-envelope political pressure. They resent a slip pinned to the check which says that if so-and-so is elected, the plant will go on a half-time basis. They resented, in 1936, a pay-envelope attack on Social Security. But they do not feel the same way about the newspaper interview in which the boss simply announces his own position. In that, he is no freer than they.

I confess that the logic of some of the current opinion about so-called coercion is beyond my understanding. It is frequently stated, in the manner of a solemn accusation, that the workers of the WPA are bound to be grateful to the present Administration. The implication is that this constitutes some terrible sort of turpitude, presumably on the part of the Administration. To whom are they expected to



turn? To those who believe in a dole instead of jobs?

If it is a vice for the electorate, or any part of it, to take notice when public officials live up to their preelection pledges, then the whole principle of representative government is incurably vicious. American history is full of political movements which came into power by promising new programs of popular benefits, and then earned the respect and gratitude of the people by keeping those promises. There were the Whigs with their internal improvements, the Jacksonian Democrats with their destruction of the money power, the early Republicans with their slogan of free homesteads. It seems to me that if there is any vice to be feared in representative government, it is the failure of candidates and movements to keep their promises to the people, and not the gratitude of the electorate for promises kept.

Filling in the Gaps

Regarding the charge of competition with private enterprise, the whole program has been carefully worked out to avoid it. Most of our difficulties of operation arise from our own efforts to avoid such competition, and yet at the same time to keep millions of people, with an infinite range of skills and experience, working at the things they can do best in order that they will be fit for private work when it comes along.

All over America we are filling in the gaps where the economic system has failed to provide willing citizens with a chance to work for their living.

If the automotive industry is forced to shut down in Detroit, we do not say that is Michigan's problem. We realize that the workers in Detroit are jobless, not because of anything local, or any fault of their own, but because people in California and Florida and Maine are unable to buy automobiles. Our job may be bigger in the South just after cotton-



picking. Last summer it was heavy in the Dust Bowl. Next winter the problem point may be New York, just as this spring it was Chicago, Detroit, and Cleveland. American business does not operate on the basis of State lines or corporate limits. The WPA, which takes up its labor slack, must operate as business does. That is why it must be Federal in character.

Now we come to that old hobgoblin—the terrible burden of an ever-mounting public debt. Some people seem to think the present Administration has set out deliberately to destroy both our private habits of thrift and our national credit by a revolutionary policy of spending without end. I don't think it is necessary to dignify this charge by detailed refutation. But I do feel that the debt itself, the reason for its increase and the purposes for which the money was used deserve the most serious and careful discussion.

Pump-Priming Is Old

How many people reading the newspapers and listening to partisan political speeches are aware of the fact that large public spending to prime the pump of business is no new departure in our history?

Pump-priming has been carried on from the very beginning of our national existence. It is true we didn't call it pump-priming in the past—but names don't matter, it is the reality that counts.

The very Constitutional Convention which drafted our present Constitution was called for the express purpose of formulating the principles of a strong national government capable of fostering and developing the general welfare, capable of laying taxes and incurring debts for the promotion of the general welfare. From the very first years of Washington's administration the National Government intervened with all its resources frequently and aggressively in order to develop commerce, agriculture, and industry.



Pump-priming in those days took forms which kept us from recognizing it for what it was.

It took the form of giving away the national domain in free land to veterans and then to all settlers, of giving away vast areas to railroad companies to help them build their systems. It took the form of great internal improvements, of building roads, subsidizing canals, dredging waterways, and building harbors all with Government funds. took the form of a protective tariff to subsidize infant industries and expand American employment. It took the form of giving away certain sovereign powers of the people—those intangible parts of the public domain—such as franchises to public utility enterprises, the power to issue currency and create credit to banks, and exclusive patent rights for inventions-by means of which we deprived others of the right to engage in these enterprises but enlarged our industries, put men to work, created buying power.

Red Marks or Black?

These are a few examples of the pump-priming which our American Government has engaged in for 150 years. Pump-priming is as American as corn on the cob.

Let me ask the people who deplore pump-priming in 1938 and complain bitterly about the growing national debt, why were not similar complaints made while we were pump-priming away our national domain? Is it not because the national domain was never in the Federal balance sheet? When it was turned into purchasing power, it was just that much *net* purchasing power. Its loss did not create a bookkeeping deficit.

Today as we struggle with the problem of mass unemployment, we realize that the loss of the public domain was a very real loss regardless of its failure to result in a red mark on our bookkeeping ledger. We can wish we had it back, to use once more for



purchasing power; but we have not.

Today when pump-priming requires an increase in our liabilities, we are misled by the same sort of bookkeeping absurdity. In the past we cashed in our assets without recording their dissipation on our books. Now we create assets without entering these investments on our books. We are spending billions of Federal dollars to give jobs and purchasing power to millions of our unemployed. unemployed are rebuilding the whole broad face of America. All their work is public work. They are replanting and protecting forests, saving the land and the wildlife, controlling floods and dust storms. They are building better schools and hospitals, better roads and bridges. Jobless teachers have taught more than a million adult illiterates to read and write English. That is almost one-fourth of all the illiterates in the country. The unemployed are improving the health and the culture and the scientific knowledge of the entire Nation.

Buying Power Needed

How do we keep books on this? Every dollar we spend to put the unemployed to work is carefully entered on the red side of the ledger. But for all the national wealth they have created in permanent improvements and public services, not one dollar is entered on the black side of the ledger as assets or credit. All this money is listed as expenditures, none as capital investments.

I do not care how the bookkeeping is done, except that it should not confuse the average citizen about the actual fiscal condition and operations of his Government. I am quite certain that he is confused today.

I suppose that besides the bookkeeping confusion, what is disconcerting to many sincere people about the present form of public spending is that it is directed at supplying purchasing power to the



masses—to the lower third of our population. We have been brought up on the principle that it is all right for the Government to grant big subsidies to businessmen, because businessmen are employers—work givers, as the German term is. To make Government funds available to the poor, except in the minute doses of charity—seems wasteful, unbusinesslike. But it happens that we have developed a high economic machine which depends on mass purchasing power, and that this mass purchasing power can no longer be indirectly produced by stimulating new investments, new additions to the machinery of industrial production. It must be directly pumped into the system at the bottom.

Of course in all this new type of spending and pump-priming the size of our public debt, the amount of our liabilities is important. But it is something to be kept track of in relation to the purposes for which the debt was incurred and in relation to the credit of the Nation. And I can say from personal knowledge that the present Administration is watching these figures with the same care and vigilance as any administration ever has.

What Did It Buy?

Let me give you a few simple figures. The gross public debt as of March 3, 1938, after 5 years of the present Administration, amounted to some 37% billion dollars. This compares with a war debt peak of 26% billion dollars in 1919, and with a total of 21 billion dollars in March 1933, at the time the present Administration took office. The gross increase in the public debt incurred by the present Administration amounts to 16.8 billion dollars. To offset this increase in the public debt there has been an increase in actual Treasury assets—and I don't mean the social assets represented by the increase in the social wealth of the Nation, which a proper form of bookkeeping



might well count as assets. I mean orthodox financial assets which any banker would recognize.

If we subtract these assets, the net increase in debt incurred by the Administration's program of spending for relief and recovery is 10 billion dollars, and this includes the soldiers' bonus of over 2 billion dollars which Congress in 1924 had contracted to pay.

Since 1933 this Government has engaged in largescale deficit spending. What did we get for this spending?

Again, let's leave out all the imponderable gainsthe restoration of the confidence of our people in their form of government, the conservation of the physical and spiritual welfare of our people, the enrichment of our social environment with vast public improvements. Let us concentrate only on the item that bankers and bookkeepers understand—the increase in the national income. Deficit spending from 1933 to 1937 very materially helped in raising the level of our national income from 40 billion dollars to close to 70 billion dollars. And notwithstanding the 9 months' depression, brought about by the inability of business to take over when the Government curtailed its spending program, our national income this year is expected to reach 63 billion dollars, which is still over 20 billions greater than in 1932.

Debt Increase Is Small

What about our ability to bear the burden of increased national debt? Well, the gross national debt per capita today is some 15 percent greater than what it was in August 1919, at the time of the war-debt peak.

The per-capita interest burden on the gross debt—which is the main thing—is actually 30 percent smaller than in 1919—\$7 as against \$10. And if we compare our debt burden with that of other countries—England or France—we find that in both of



these countries the debt in relation to national income and national wealth is about two and a half times as heavy as in our "spendthrift" United States.

But we are not out to increase needlessly our national debt because other countries have a larger relative debt. If we have increased our debt through our great social investments, it has been done on the principle of wise business management as well as wise social management. The problem of financing the public debt—any debt at whatever figure—is in the last analysis a problem of stimulating and maintaining the wealth-creating activities of the Nation, whence come the taxes to pay the interest and principal on the debt. Even if we had been interested purely and exclusively in the prudent management of the national debt, it would have been necessary to increase the debt to stimulate the national income, just as a private corporation often finds it necessary to incur new debt in order to put itself in a better business shape.

Obviously, no one believes that a nation can go on forever piling up debts. But with the rising national income, Federal budgets can and will be balanced and the national debt retired in orderly fashion.

There you have the essentials of the current Federal attitude on several basic questions. In many respects this country is holding the fort for democracy. All over the world, men and women who love human freedom are looking to the United States to find the answer—the proper economic and social balance that will make democracy safe.

Make Peace at Home

The greatest thing this Nation can do for international peace is to achieve domestic tranquillity, domestic well-being. A nation, like an individual, cannot cooperate to keep the peace if it is not at peace with itself. We have no desire to isolate our-



selves from other nations, economically or socially. But we believe that by concentrating our efforts on our domestic economic problems we can achieve two things: We can remove the danger ever present in governments of creating disastrous diversions in foreign policy to cover up failures at home, and we can put ourselves in a position to confer wisely with other nations on the elimination of international frictions.

We are learning that if our democracy is less secure today than it was a century ago it is not because men and women esteem liberty less but because our democracy has failed to give them the essential ingredients of that liberty which they esteem. Men and women do not value the right to starve or even the right to a dole. They demand the right to earn a self-respecting livelihood.

While other nations are building vast armaments, we are building parks, libraries, hospitals, and schools on a wartime scale. While other peoples are learning to use gas masks and bombproof shelters, we are improving the lot of the underprivileged, eliminating illiteracy, opening up opportunities for work and play.

While some other nations are outraging the rights of minorities, we are determined that our priceless tradition of personal freedom—of free speech, free press, and freedom of worship—shall not be qualified or abridged at any time or under any circumstances.

I believe the heritage of America is its love of liberty, its hard-won victories in peace and war, the courage and religious fortitude of our fathers.

That heritage can be no resting place for their sons and daughters. We too have frontiers to conquer. And they are to be found in the determination to abolish poverty, to assure the security of our humblest neighbor, to destroy injustice, to protect our personal liberties, and so to live in a disturbed and threatened world that this Nation will achieve its democratic destiny in security and peace.





